

FISCAL NOTE

SB 1940 - HB 2048

February 26, 2005

SUMMARY OF BILL: Exempts any entity, providing low income housing through a contract with the Department of Housing and Urban Development, from paying excise tax.

ESTIMATED FISCAL IMPACT:

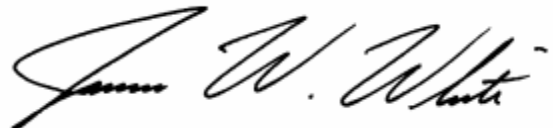
Decrease State Revenues – Less than \$90,000

Assumptions:

- Approximately 50 entities would be affected by this bill, with the vast majority of them being limited liability corporations (LLC) or limited partnerships (LP).
- Average franchise and excise tax liability, for the 50 affected entities in FY04, was approximately \$1,800 per taxpayer. Most of this consisted of franchise tax liability.
- Decrease in state revenues, resulting from the excise tax exemption this bill proposes, is estimated at less than \$90,000 (\$1,800 X 50 potential taxpayers = \$90,000).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director